any complaints from the general investors regarding misappropriation of their hard earned money by the companies which had collected the funds through their public issues by way of providing fictitious information regarding their future prospects in their offer documents;

(b) if so, the details thereof; and

(c) the action taken by the Government to safeguard the interests of the general investors?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Complaints have been received by SEBI of misleading information on future prospects in the offer document of the issuer companies.

(b) and (c). SEBI guidelines prohibit future projections by companies except under specified norms. In order to safeguard the interests of investors, SEBI has tightened the entry norms for companies accessing the capital market so that only quality issues enter the market. On the recommendations of the Malegam Committee, SEBI has issued guidelines for more stringent disclosures of the financial accounts of the issuers. In cases of mis-statements or suppression of material information SEBI initiates action such as withdrawal of acknowledgement card, giving option to investors to withdraw from the issue or even directing the issuer companies to refund the subscription amount.

[English]

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530. SHRI G. VENKAT SWAMY : Will the Minister of INDUSTRY be pleased to state :

(a) whether Khadi and Village Industries Commission is facing financial crises; and

(b) if so, the details thereof and the steps taken by the Government to remedy the situation?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir.

(b) Does not arise.

FERA Violations by ITC

531. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the outcome of the probe conducted into the affairs of the ITC Ltd., Calcutta for FERA violations to the tune of millions of dollars;

(b) whether the whole episode has exposed the role of public financial institutions in governance of the company;

(c) if so, what action has been taken or proposed to be taken against the Directors of these Financial Institutions on the Board of ITC Ltd. both serving and retired;

(d) whether a joint team of enforcement Directorate and CBI went to Singapore to probe ITC Global's role in the alleged FERA violations and siphoning of funds; and

(e) the findings of this team and the stage at which the matter stands at present?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The investigation under the Foreign Exchange Regulation Act, undertaken by the Enforcement Directorate against M/s. I.T.C. Ltd., Calcutta, are continuing. Action as envisaged under the law is proposed to be taken.

(d) No, Sir.

(e) Does not arise.

Schemes for Handloom Weavers

532. SHRI BHAKTA CHARAN DAS : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have prepared any scheme for including the handloom weavers in the on-going schemes of rural development programmes;

(b) if so, the details thereof; and

(c) the allocation made for each scheme during the last two years and for 1996-97, State-wise, particularly for Orissa?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) and (b). In May, 1993, the Government of India had announced programmes for provision of looms to loomless weavers, houses to houseless SC/ST weavers, training for skill upgradation to weavers and setting up of Common Facilities Centres under the various on-going Rural Development Programmes.

(c) No separate allocation have been earmarked since the proposed assistance is expected to be met out of the existing allocation for the programmes at the DRDA level.

Probe into Banks Collusion in Shoe Scam

533. SHRI RAM SAGAR :
SHRI JANG BAHADUR SINGH PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "Police probe reveals banks colluded with firms in shoe scam appearing in the Economic Tmes dated October 8, 1996;

(b) whether any enquiry has been conducted into the lapses;